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CLIMATE CHANGE

Climate change is a global problem, and only a global cooperative strategy can limit its adverse effects. The United Nations has provided the foundation for such a strategy: the United Nations Framework Convention on Climate Change, which was adopted in 1992 and opened for signature at the Rio Earth Summit. Michael Zammit Cutajar, Executive Secretary of the United Nations Framework Convention on Climate Change, discusses a wide range of issues related to climate change and the national and international politics of the convention.

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ANNOUNCER: From United Nations Headquarters in New York, this is **World Chronicle**, an unedited interview programme about major global issues. Here now to introduce our guest is the host of today's **World Chronicle**.

LITTLEJOHNS: I'm Michael Littlejohns, and this is **World Chronicle**.

Scientists have concluded that the global climate is changing as a result of human activities. The increasing demand on goods and services has resulted in an increase in the emission of greenhouse gases that trap the sun's heat and cause global temperature to rise. To encourage countries to limit and reduce their emissions of greenhouse gases, in 1992, the world community adopted the United Nations Framework Convention on Climate Change. What are the effects of global warming on our everyday life? And will countries abide by this convention?

Our guest today, Michael Zammit Cutajar, is the Executive Secretary of the United Nations Framework Convention on Climate Change.

Joining me to talk with Mr. Cutajar are Ian Steele of the Press Foundation of Asia and Anne Penketh of Agence France-Presse. Mr. Zammit Cutajar, welcome to World Chronicle.

CUTAJAR: Thank you.

LITTLEJOHNS: First of all sir, the title United Nations Framework Convention on Climate Change. Why Framework Convention, what does that mean?

CUTAJAR: Actually, most people don't use the Framework but it's there. The idea is that this is something to be fleshed out -- a frame to be filled, a foundation on which to build. So, what is going on now is a series of steps to strengthen the Convention by adding to it.

LITTLEJOHNS: So, a lot of changes will have to be made for it to become effective?

CUTAJAR: The Foundation itself is the basis, is the basic contract among states to do something about climate change obviously, the action envisaged in it are only a first step in that direction, and many other steps have to be taken.

LITTLEJOHNS: There was a meeting fairly recently in Germany, in preparation for a conference which hopefully will make some major steps on this issue. But apparently it didn't work out to well.

CUTAJAR: I wouldn't say that. This is a process ending at the Conference that you mentioned, and the deal would only be done there. This was a preparatory meeting. I can say that it narrowed the options, made them clearer, gave a sense of where the political choices have to be made. From that point of view it made good progress, obviously the agreement isn't there yet.

LITTLEJOHNS: But the divisions between the developed and developing countries were quite pronounced?

CUTAJAR: As always. In fact the main issue though is what action developed countries will take to deal with climate change, they have the responsibility of taking the lead, and the main differences are among them.

STEELE: The United States says it won't sign on unless the developing countries take some meaningful steps or some meaningful participation, what do you read in the wording of meaningful? They do have proposals on the table are they meaningful?

CUTAJAR: The United States is trying to deal with a domestic situation where I think there are very strong concerns about trade competitiveness with developing countries that are becoming increasing competitive with the U.S.A. Looking ahead they see that actual climate change can have an effect on industrial cost, therefore, all countries competing in trade should have the same type of costs to bear. That's one way of looking at it. Another way of looking at it is in terms of the actual level of prosperity of different countries, clearly the sort of key countries targeted like China and India have a much lower level of income than the rest of the **[? *** around the 5]** for a very long time, so one can look at it from the equity point of view. There is time before they have to bear the same sort of burden.

STEELE: After the discussions in Bonn you were quoted as searching for flexibility in the various positions. It's only been a short while since Bonn, but with the regime discussions coming up, have you seen any evidence of flexibility?

CUTAJAR: To early still. This was only a few days ago and clearly there will have to be a lot of soul searching in the few weeks that remain between the two events. Countries will have to look at their fall back positions and try to approach each other, in some very wide disparities in this sort of targets on the table. And there will have to be some, eventually, sort of high level bilateral phone calling to get these differences narrowed down.

PENKETH: The United States has a very big oil lobby as you know, which is kicking and screaming against the extremely weak proposals of the Clinton administration. Do you think that they should have been out there much earlier this year to try and prepare public opinion for what lay ahead?

CUTAJAR: Public opinion is extremely important in this, and there is a very strong campaign in the U.S. which I think is misleading public opinion, about the possible economic cost of action to deal with climate change. That sort of campaign ignores the economic costs of doing nothing about it, that is suffering the climate change, and also ignores the economic opportunities of developing the new technologies to deal with it; which I think are immense. You start to see this in Europe, that there are groups of industries that are looking more on the positive side of things and trying to steal a march. And I would hope to see more of that coming from the United States business community.

PENKETH: Is there still a danger that in Kyoto there will actually be a step back from the targets in Rio five years ago?

CUTAJAR: It's difficult to step back from a very modest starting point and I am quite convinced that there will be movement forward. And the United States position itself is movement forward in that it seeks a legally binding commitment, whereas the agreement signed at Rio is only a aim.

LITTLEJOHNS: I have a document here Mr. Zammit Cutajar, from the Global Climate Coalition here in the United States, which is an organization of business trade associations and private companies, established to coordinate their positions on climate change. And it has a long string of alleged job losses beginning with Alabama forty seven thousand, and ending with Mississippi, no – ending with Wyoming seven thousand. I mean, how serious is this loss of jobs, which of course is not a good thing for politicians in the United States or anywhere else, to have to live with?

CUTAJAR: Nobody likes to talk about job losses, one can of course talk about the fact that there has to be gain and losses in any market, and this country is devoted to the market economy. But I would say those sort of figures are pulled out of muddles, which take the worst case assumptions of what might happen in terms of Draconian measures. Whereas one could pick different models with give different results. There is a very good study recently which shows the way models can be manipulated. And of course, everybody knows this including the muddlers.

LITTLEJOHNS: But this document also quotes union leaders as being opposed to the changes that President Clinton has proposed.

CUTAJAR: There is a very strong alliance in the United States, foremost among the members of this coalition are: the union workers, the coal industry, the rail road industry that pulls the cargo, transports the coal, the motor vehicle manufacturers and so on, who see any limits on the use of fossil fuel – coal and oil in particular – oil in cars as gasoline as a threat to their livelihood through their businesses. I would think that the motor industry is actually –while keeping up this front – working very hard on developing cleaner engines because those are coming, we can see this in the papers...

LITTLEJOHNS: And electric cars?

CUTAJAR: Maybe not electric cars, but these combined cars that use gasoline to drive a battery. And there's a lot out there. You hear about it from Japan, from Europe and from the U.S.A. and I am quite sure that some day there will be a break through and then they will switch camps in this alliance. But that's looking far ahead.

STEELE: There has been relatively little discussion about how nations should be preparing for climate change. A lot of discussion about whether it is in fact happening also.

Perhaps one reason for that is that the small island states simply can't do very much to prepare for climate change, and they are screaming very loudly about that. How do you see the debate forming in the developing countries? Who's falling in behind the island countries to protect their interest from a rising sea level which could virtually swamp half of their territory?

CUTAJAR: There's a couple of things I would like address in that question. The first is the science. I think the science is getting much harder and if you look at the negative lobbying it's not attacking the science any longer, it's attacking the politics. Secondly, there are more and more countries, more and more developing countries concerned about their vulnerability. One group are those who are concerned about sea level rise, low lying islands but also countries of the low lying coast lines, including Florida for example. Floridians are quite concerned about this. And I think you can see that there is a growing body of developing countries which want to see action. Action by developed countries taking the lead now. There are the more sort of industrialized or industrializing developing which have a different point of view cause they are concerned about their capacity to emit, their capacity to produce in the future, they have a very strong need to increase the material well being of their people and they don't want limits now, where they can envisaged them in some decades.

STEELE: Could you see a costal state coalition between developed and developing countries independent of national politics?

CUTAJAR: I doubt it. Developed countries are pretty well organized already and I don't see much hope of breaking off from that. And on the developing side, most of the large population at risk are in the industrializing countries, so you can't bring them on board with a small island. I don't think so.

PENKETH: Yes, maybe you could develop that a bit more in terms of what the developing countries are saying to the industrialized states. As I understand it, you know, the industrialized world was suppose to help them by technology and financial transfers in cleaning up, you know, their economies and it hasn't exactly happened.

CUTAJAR: Well, there again, there is a tremendous potential for investment in clean technologies in developing countries, in particular in big countries like China, and India. China and India both have coal reserves, hence, they are heavily polluting. And with a little twist in the direction of their technological development they could be much cleaner and pursue growth. Why hasn't it happened? A lot is happening, there is a tremendous amount of investment going into China in particular. What is being sought in the convention but people have not quite grasped it yet, is how to add that little extra push or incentive from the

public sector to get the private funds to flow to get the technologies to move. That is what we are looking for, but it is not clear where it is coming from.

STEELE: How important is the Kyoto agreement, if we do in fact get an agreement? How important is that agreement to what follows from the developing countries, from the Group 77?

CUTAJAR: You have to see the Climate Convention to come back to Michael Littlejohns first question, as a foundation among which layers are built. The Kyoto agreement is the first layer on the base, and there will be many others for the case to come. The importance of the Kyoto agreements is to give a strong signal that effects the psychology of the markets, of economic actors, of investors, of producers or consumers. Things are changing, and people should adapt to that change and make the most of the opportunities of that change brings. So Kyoto is important in signifying a turn, a shift in the trend. You can't really put a number on that, its more a question of the psychology, the psychological effect.

LITTLEJOHNS: Mr. Zammit Cutajar, I see in the report on the meetings in Bonn, under the title of Flexibility, they say the question remains open as to whether countries should be allowed to trade emissions quotas with one another, receive credit for reducing emissions from other countries, bank reductions for future credit; if they exceed their current target, or borrow from the future if they miss their target. Could you explain that a bit more, it seem to be a very complicated system.

CUTAJAR: It is very complicated. I mean, you have to remember that there are fundamental economic interests at stake here, and if a country like the U.S. takes on a commitment to reduce emissions, its affecting different industrial sectors. Now the argument there, the main points in that very dense sentence, the argument there is that it may be more cost effective in economic terms, to achieve those emissions elsewhere. You pay for them to carry it out in Poland, achieve the emission reductions. It may be cheaper to do it in Poland, so why can't a U.S. company invest in Poland and get some credit for the reduction in emissions there? The argument against that which comes from developing countries at this point, is that lets the U.S. off the hook of doing something domestically and changing the consumption habits and other ways of life which are causing the problem in the first place.

LITTLEJOHNS: So United States would sort of buy itself out of....

CUTAJAR: If the target is not ambitious enough and if these means of flexibility are available, indeed it could buy itself out. That is what many people are concerned about.

LITTLEJOHNS: This is **World Chronicle**, our guest is Michael Zammit Cutajar, Executive Secretary of the United Nations Framework Convention on Climate Change.

PENKETH: Is it possible do you think, to quantify the effect on global warming that the fires in Indonesia may have had, or that the forest fires in Brazil which are man made after all.

CUTAJAR: Well, there are two aspects there. They are rather too close the ones in Indonesia to have had any assessment of it. But when something burns, when wood burns, when coal burns when oil burns, it is giving off carbon dioxide therefore, its adding to the greenhouse gas, the greenhouse effect. The presence of smoke in the air acts as a screen against warming. So to the extent that particulate matter remains suspended in the air, this slows down the warming process, but only temporarily in the region where it is. There was a very similar occurrence of the eruption of Mount Pinatubo in the Philippines some years ago, a massive volcanic explosion which left particulate matter in the air for a long time. And the observations linked to that, showed its effect on the warming process, it slowed down the warming process and it ....

LITTLEJOHNS: Because the sun couldn't get through. Sunlight couldn't get through

CUTAJAR: It was like a new layer of clouds, clouds do help to moderate the climate and this was a new cloud sort to say. And the interesting thing about that is that the observations of the Pinatubo effect, confirmed the models, the climate models which had been predicting global warming. One of the main factors in hardening out the science.

STEELE: The psychology of this South East Asian region is been somewhat effected, if not directly certainly indirectly by the fires and the blanket of smog that swept through the region.

CUTAJAR: I would image that if you spoke to the environment ministers of Malaysia and Indonesia now as opposed to six months ago they would have a rather different view. And perhaps more important than that, not the environment ministers, but the economy ministers, the finance ministers, the hard ministries if you like.

STEELE: And the investors in the region.

CUTAJAR: Indeed.

LITTLEJOHNS: Mr. Zammit Cutajar, there seems to be a lot of differences of opinion on all these matters, again referring back to this document from Climate Watch, as they call it. They mention, you just spoke earlier about carbon dioxide and now this document says that carbon dioxide like water vapor, is an integral part of natures basic life cycle, therefore we shouldn't have to worry about it.

CUTAJAR: This is really playing with words. Carbon dioxide is of course a part of the life cycle. The greenhouse effect is natural without it we wouldn't be here because the earth would be too cold to live on.

LITTLEJOHNS: But it's not a pollutant?

CUTAJAR: It's not a pollutant in the sense that it's not something you breathe in and does damage to your lungs. No. But what is happening is this. The earth is surrounded by a blanket of gases which keeps it at a temperature which makes it habitable. This is the natural greenhouse effect. For the last two hundred years, growing economies and growing populations had been adding on the margin, a significant amount of gases which tip the balance and make that blanket that much warmer. Now you can adapt to that, of course. But the rate of increase is about twenty times as fast as the natural rate of change which has been observed in the last ten thousand years. Not that people were observing it for ten thousand years, but ice samples have been analyzed and you can see the carbon content in the ice ten thousand years back. So, what people are saying now is not that climatic change is abnormal, when we've all heard about ice ages and so on, but that the rate of change induced by human activity may be too fast for us to bear, for natural systems to bear.

STEELE: You've been in these discussions and negotiations now for six, seven years. What if you were to follow the curve, what are the most significant shifts in the debate and discussion over that period of time.

CUTAJAR: I think the discussion is very much science driven. I've just referred to some of the science behind it.

LITTLEJOHNS: But also they are also business driven, isn't it?

CUTAJAR: It should be business driven. What's happening is business is driving against it at the moment, what we all like to do is capture the positive driving business and there is the start of that. But coming back to the science, the first report on climate change was in 1990, it was rather weak on linking climate change to human activity. By the second report, it was 1995, it was much stronger because of the improvements on modeling and checking, observing what was actually happening. And this really has underpinned the current phase of negotiations. So that is... I think, and we look for better reports in another five years time, which, and this is very important, might throw light on how different regions will be affected. And that brings it much closer to home. We're talking here about global averages, which don't mean much to the average politician. You can say the South East Asian region will be affected this way, then that region will say, 'hey, we should do something about it.'

STEELE: I think we show the beginnings of that already with the tracking of diseases, the increase of malaria in cold places, and other diseases.

CUTAJAR: Well certainly one of the predicted effects, I mean we talked about sea level rise earlier, that was the easiest to see, visually. You can imagine the sea being higher. But there is also the spread of insect borne diseases which are thriving more as warmth spreads, there are more insects around to bear the diseases. There is effects on the spread of

deserts on forest growth, generally on agriculture. Some ecologist fear most of all a food crisis resulting from global warming. Imagine a drought in the mid west of the United States caused by global warming or a series of droughts that could have catastrophic effects.

LITTLEJOHNS: And also flooding I suppose, on the other hand.

CUTAJAR: Flooding comes as well. There is a tendency to blame individual weather events: storm, floods, hurricanes on global warming. The scientists are rather cautious about this. For example, they won't yet say El Nino is linked to global warming. It would be a wonderful proof so to say and a very close one but they are very cautious and one thing I can say about the science, is that the reports are not scare mongering reports, they're really very prudent and they tend to pull their punches rather than try to impress opinion. So when they get to say something, I take it very seriously.

PENKETH: But you're saying that Kyoto then, is one step along the way, it's not a conclusion at all, even though this will be a legally binding commitment by the international communities. So what happens after Kyoto then?

CUTAJAR: After Kyoto, there's a number of things that happen. One is that countries have to take the convention back home and decide whether to be bound by it. Kyoto is just an adoption of a piece of paper. Then countries have to go to their Parliaments and say are we going to be bound by this? It has to be ratified in other words. In the U.S. it's the Senate in other countries its the Parliament in some it's a stoke of the pen. That's one thing. The second thing, there will be a lot of technical work on how to go about achieving the targets that would have been agreed, what are the difference mechanisms that Michael just mentioned, and how can these be worked out, how the accounting will be worked, the verification and accountability. It's very important to have an agreement that can be verified. Otherwise, it's just a smoke.

PENKETH: A global warming police.

CUTAJAR: No, no, no. Never. Perhaps the global warming accountants. I can see a lot of business in there for an accounting firm actually.

STEELE: What's very striking in these discussions is that for all the talk about the cost and the cause and effect, that even in the very best case scenario, depending on whose side of the fence you're on, to achieve reductions in emissions, we're still only talking about a small decrease in the rate of increase. We are not talking about an end to something, we're not talking about the eradication of something when the problem is not going away. The psychology of that and presenting that to the public... is that the business of the United Nations in any way?

CUTAJAR: We could do a lot more in presenting a message and explaining and persuading we don't have that much capacity to do so, but I think states can do too. Talking

back to President Clinton's speech in October, leaving aside the policy content, it was a very good speech about the problem, it was an excellent piece of persuasion and we need more of that. And we also need I think to present the issue more positively as a opportunity not just as a tailored role.

PENKETH: I am wondering for example, in fact, whether the rest of the world is generally aware that the United States is the number one emitter of carbon dioxide?

CUTAJAR: I think so, I think so. I mean you can see it in different ways. The United States is the biggest economy, that is another way of saying the same thing. Modern economy run on the emission of carbon dioxide we are a long way from carbon free economies, I mean, they can't be imagined at the moment. So we are talking about reductions in rate of increase. There will be some warming because of the build up of gases over the last two hundred years, we have to adapt to it. The question is at what level to try to stabilize the concentrations of these gases in the atmosphere?

PENKETH: But aren't the Americans trying to deflect the problem in a sense by rather than facing up to their responsibilities as the number one polluter, saying well, China should also be playing its part.

CUTAJAR: Well, the Americans are looking ahead to a time when China is another super power. This is a strategic discussion. We're talking about action over a hundred years, we're not talking about something happening between now and the year 2000. So it's the people who are in this game, the key players, are looking very far ahead and trying to position themselves a hundred years down the line and seeing what they need to do now to make sure their in a good position. China in a hundred years will be a very strong competitor of the U.S. In many ways, hopefully just economic. That is the thought in the U.S. minds and in China's mind of course.

STEELE: But of course if we are talking about any serious reduction we can't talk about that without the developing countries, and the involvement of India...

CUTAJAR: Definitely.

STEELE: China and other industrialized countries.

CUTAJAR: I think any rational analysis of the problem shows that you have to deal with it globally, with all countries involved. The advertisement say it isn't global, it can't work. I say it is global and it can work. It is global because developing countries are already involved, they are already doing a substantial amount of things which are not... what they don't have is a limit. For example, countries that are taking subsidies off energy use, are helping to have energy used more efficiently, therefore reduce emissions. A lot of that is happening which is completely discounted in this campaign. But, eventually, China, India, everybody will have to have limits which are sensible, rational in terms of their development

in terms of their level of income. U.S.A. now emits nearly twenty times per head as India. You can imagine that converging in a hundred years time.

STEELE: Can India have a sufficient rate of economic growth without coal or oil?

CUTAJAR: Without coal, I wouldn't think so, but coal is its main resource. I mean one can think of India with technological help to come back to your point, shifting somewhat. But coal is gonna be there for a long time. It is cheap, its available. We can use coal more cleanly and we can talk about solar and so on, but we are no where near having solar as a substitute, it's a useful supplement at the moment but not a substitute.

STEELE: So we have no quick fixes?

CUTAJAR: No quick fixes. Consumption patterns.. I mean, one of my favorite things with globalization, the U.S. is the dominate model of lifestyle. If one can change here, in the U.S. one can get their good message across. So what has happened on tobacco. Where the U.S. is in the lead and the companies are trying to compensate in other markets, but the image of smoking being a bad thing is following those companies. You can have the same thing in Hollywood, it can have a tremendous effect, much more than the United Nations.

LITTLEJOHNS: Mr. Zammit Cutajar we have only a few seconds left. But looking toward the Kyoto conference, are you reasonably confident that you are going to work something out? Given all the differences of opinion that exist?

CUTAJAR: I think there is a will, I think it is high on political agendas in the G-7, in the big industrial economies.

LITTLEJOHNS: Corporate 77 developing countries?

CUTAJAR: No the Group of 7 industrialized companies.

LITTLEJOHNS: Oh seven! I'm sorry.

CUTAJAR: The ones that met in Denver this Summer. I think they will pick up the hot line the end of November, early December and do a deal. I'm pretty convinced of that and something will be done. It will probably disappoint the environmentalists but it will be an important step in the right direction.

LITTLEJOHNS: But it will probably please the business community?

CUTAJAR: They'll scream. But they should also adapt to it.

LITTLEJOHNS: Mr. Zammit Cutajar, that is all the time we have. Thank you for being with us on this edition of **World Chronicle**. Our guest has been Michael Zammit Cutajar, Executive Secretary of the United Nations Framework Convention on Climate Change. He was interviewed by Ian Steel of the Press Foundation of Asia, and Anne Penketh of Agence France-Presse. I'm Michael Littlejohns, thank you for joining us. We invite you to be with us for the next edition of World Chronicle.